

Scott M. Tyler
Attorney at Law

T 704 331 2463
F 704 378 1963
scotttyler@mvalaw.com

Moore & Van Allen PLLC

Suite 4700
100 North Tryon Street
Charlotte, NC 28202-4003

Also Admitted in SC

January 16, 2013

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

Re: GCRM-135, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-135.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels below the \$3.75 commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of overcollecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not decreased to \$3.00 per dekatherm as proposed herein. The relief requested herein will avoid such overcollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.07633/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and a decrease of \$0.00133/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in February, 2013.

Ms. Jocelyn G. Boyd
January 16, 2013
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler
Scott M. Tyler

Enclosures

c: Mr. David Carpenter
Ms. Pia Powers
Mr. Jim Jeffries
Office of Regulatory Staff (via email and overnight delivery)

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

Pia Powers, being duly sworn, deposes and says that she is Manager – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.

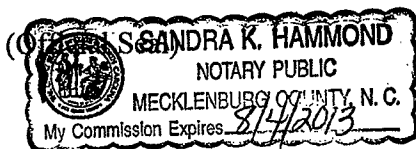
Pia Powers

Pia Powers

Mecklenburg County, North Carolina
Signed and sworn to before me this day by Pia Powers.

Date: January 14, 2013

Sandra K. Hammond
Sandra K. Hammond, Notary Public



My commission expires: August 4, 2013

SCHEDULE A

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective February 2013
GCRM -135

South Carolina Rate Schedules:		Current November 2012 Billing Rates	Commodity Change	Proposed February 2013 Billing Rates
201	Residential Service - Value			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	0.80955	(0.07633)	0.73322
	Summer (Apr.-Oct.)	0.76548	(0.07633)	0.68915
221	Residential Service - Standard			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	0.97728	(0.07633)	0.90095
	Summer (Apr.-Oct.)	0.97465	(0.07633)	0.89832
205	Outdoor Gas Light Service			
	Monthly Charge	15.00		15.00
202	Small General Service-Standard			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.89146	(0.07633)	0.81513
	Summer (Apr.-Oct.)	0.85979	(0.07633)	0.78346
232	Small General Service-Value			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)			
	First 2,000	0.84018	(0.07633)	0.76385
	Over 2,000	0.81509	(0.07633)	0.73876
	Summer (Apr.-Oct.)			
	First 2,000	0.75775	(0.07633)	0.68142
	Over 2,000	0.73473	(0.07633)	0.65840
252	Medium General Service-Standard			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)	0.85490	(0.07633)	0.77857
	Summer (Apr.-Oct.)	0.81806	(0.07633)	0.74173
262	Medium General Service-Value			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)			
	First 5,000	0.79644	(0.07633)	0.72011
	Over 5,000	0.76763	(0.07633)	0.69130
	Summer (Apr.-Oct.)			
	First 5,000	0.71675	(0.07633)	0.64042
	Over 5,000	0.69578	(0.07633)	0.61945
242	Small General Service-Motor Fuel			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.79626	(0.07633)	0.71993
	Summer (Apr.-Oct.)	0.85605	(0.07633)	0.77972
203	Large General Sales Service			
	Monthly Charge	250.00		250.00
	Billing Demand (therms)	1.79812		1.79812
	Winter (Nov.-Mar.)			
	First 15,000	0.65182	(0.07633)	0.57549
	Next 15,000	0.58026	(0.07633)	0.50393
	Next 75,000	0.54477	(0.07633)	0.46844
	Next 165,000	0.46553	(0.07633)	0.38920
	Next 330,000	0.41021	(0.07633)	0.33388
	Over 600,000	0.38164	(0.07633)	0.30531
	Summer (Apr.-Oct.)			
	First 15,000	0.55870	(0.07633)	0.48237
	Next 15,000	0.50920	(0.07633)	0.43287
	Next 75,000	0.51444	(0.07633)	0.43811
	Next 165,000	0.44696	(0.07633)	0.37063
	Next 330,000	0.40521	(0.07633)	0.32888
	Over 600,000	0.38164	(0.07633)	0.30531

Piedmont Natural Gas Company, Inc.
Purchase Gas Adjustment effective February 2013
GCRM -135

South Carolina
Rate Schedules:

	Current November 2012 Billing Rates	Commodity Change	Proposed February 2013 Billing Rates
204 Interruptible Sales Service			
Monthly Charge	250.00		250.00
Winter (Nov.-Mar.)			
First 15,000	0.73243	(0.07633)	0.65610
Next 15,000	0.65582	(0.07633)	0.57949
Next 75,000	0.59932	(0.07633)	0.52299
Next 165,000	0.61922	(0.07633)	0.54289
Next 330,000	0.50865	(0.07633)	0.43232
Over 600,000	0.42164	(0.07633)	0.34531
Summer (Apr.-Oct.)			
First 15,000	0.57450	(0.07633)	0.49817
Next 15,000	0.52456	(0.07633)	0.44823
Next 75,000	0.49744	(0.07633)	0.42111
Next 165,000	0.47988	(0.07633)	0.40355
Next 330,000	0.42021	(0.07633)	0.34388
Over 600,000	0.39164	(0.07633)	0.31531
213 Large General Transportation Service			
Monthly Charge	250.00		250.00
Standby Demand	1.20161		1.20161
Billing Demand (therms)	0.59651		0.59651
Winter (Nov.-Mar.)			
First 15,000	0.24708	(0.00133)	0.24575
Next 15,000	0.18025	(0.00133)	0.17892
Next 75,000	0.13378	(0.00133)	0.13245
Next 165,000	0.09047	(0.00133)	0.08914
Next 330,000	0.03546	(0.00133)	0.03413
Over 600,000	0.00664	(0.00133)	0.00531
Summer (Apr.-Oct.)			
First 15,000	0.17599	(0.00133)	0.17466
Next 15,000	0.12757	(0.00133)	0.12624
Next 75,000	0.10188	(0.00133)	0.10055
Next 165,000	0.06868	(0.00133)	0.06735
Next 330,000	0.03021	(0.00133)	0.02888
Over 600,000	0.00664	(0.00133)	0.00531
214 Interruptible Transportation Service			
Monthly Charge	250.00		250.00
Winter (Nov.-Mar.)			
First 15,000	0.24667	(0.00133)	0.24534
Next 15,000	0.17972	(0.00133)	0.17839
Next 75,000	0.13125	(0.00133)	0.12992
Next 165,000	0.08307	(0.00133)	0.08174
Next 330,000	0.03611	(0.00133)	0.03478
Over 600,000	0.00664	(0.00133)	0.00531
Summer (Apr.-Oct.)			
First 15,000	0.17559	(0.00133)	0.17426
Next 15,000	0.12643	(0.00133)	0.12510
Next 75,000	0.09602	(0.00133)	0.09469
Next 165,000	0.06549	(0.00133)	0.06416
Next 330,000	0.05054	(0.00133)	0.04921
Over 600,000	0.00664	(0.00133)	0.00531

SCHEDULE B

Piedmont Natural Gas Company, Inc.
South Carolina
Commodity Cost of Gas Calculation
GCRM - 135

	Annualized Throughput (DT) per Docket 2012-7-G Settlement Approved on 10/3/2012	Proposed Increase (Decrease) Commodity Rate per (DT)	Total
Sales	12,770,285	\$ (0.75)	\$ (9,577,714)
Transportation	5,786,409		
Total Throughput	18,556,694		
LAUF %	1.77%		
Company Use & Lost And Unacct For	328,453	\$ (0.75)	\$ (246,340)
Total Throughput			18,556,694
Calculated Rate - LAUF			(0.0133)
Sales Commodity Rate Adjustment per DT			\$ (0.76330)
Sales Commodity Rate Adjustment per Therm			\$ (0.07633)
Transportation Commodity Rate Adjustment per DT			\$ (0.01330)
Transportation Commodity Rate Adjustment per Therm			\$ (0.00133)
Current Benchmark			\$ 3.75
Proposed Benchmark			\$ 3.00

RATES AND CHARGES

SOUTH CAROLINA RATES AND CHARGES

Residential

Residential Service - Value Rate 201

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.73322
April - October	\$ 8.00	April - October	\$ 0.68915

Residential Service - Standard Rate 221

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.90095
April - October	\$ 8.00	April - October	\$ 0.89832

Outdoor Gaslight Service - Rate 205

Monthly Charge	\$ 15.00
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Issued by Thomas E. Skains, Chairman, President and CEO
Issued to comply with the authority granted by
The Public Service Commission of South Carolina
Docket No. 2006-401-G, GCRM - 135

Issued: January 16, 2013
Effective: February 2013

SOUTH CAROLINA RATES AND CHARGES

Commercial

Small General Service - Standard Rate 202

Monthly Charge	\$ 22.00	Rate Per Therm	
		November - March	\$ 0.81513
		April - October	\$ 0.78346

Small General Service - Value Rate 232

Monthly Charge	\$ 22.00	Rate Per Therm		
		November - March	First 2,000	\$ 0.76385
			Over 2,000	\$ 0.73876
		April - October	First 2,000	\$ 0.68142
			Over 2,000	\$ 0.65840

Medium General Service - Standard Rate 252

Monthly Charge	\$ 75.00	Rate Per Therm	
		November - March	\$ 0.77857
		April - October	\$ 0.74173

Medium General Service - Value Rate 262

Monthly Charge	\$ 75.00	Rate Per Therm		
		November - March	First 5,000	\$ 0.72011
			Over 5,000	\$ 0.69130
		April - October	First 5,000	\$ 0.64042
			Over 5,000	\$ 0.61945

Small General Service - Motor Fuel Rate 242

Monthly Charge *	\$ 22.00	Rate Per Therm		Rate Per GGE **
		November - March	\$ 0.71993	0.90711 **
		April - October	\$ 0.77972	0.98245 **

* The Monthly Charge for Rate 242 is not applicable to gas service provided at the Company's Premises.

** The Company may bill in units of Gasoline Gallon Equivalent ("GGE") for gas service provided at the Company's Premises under Rate 242. The rates above convert 1.26 Therms to 1 GGE.

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SOUTH CAROLINA RATES AND CHARGES

Industrial

Large General Sales Service - Rate 203

Monthly Charge				\$	250.00
Demand Charge (monthly per peak day them usage)				\$	1.79812
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.57549	First 15,000	\$	0.48237
Next 15,000	\$	0.50393	Next 15,000	\$	0.43287
Next 75,000	\$	0.46844	Next 75,000	\$	0.43811
Next 165,000	\$	0.38920	Next 165,000	\$	0.37063
Next 330,000	\$	0.33388	Next 330,000	\$	0.32888
Over 600,000	\$	0.30531	Over 600,000	\$	0.30531

Interruptible Sales Service - Rate 204

Monthly Charge				\$	250.00
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.65610	First 15,000	\$	0.49817
Next 15,000	\$	0.57949	Next 15,000	\$	0.44823
Next 75,000	\$	0.52299	Next 75,000	\$	0.42111
Next 165,000	\$	0.54289	Next 165,000	\$	0.40355
Next 330,000	\$	0.43232	Next 330,000	\$	0.34388
Over 600,000	\$	0.34531	Over 600,000	\$	0.31531

Large General Transportation Service - Rate 213

Monthly Charge				\$	250.00
Demand Charge (monthly per peak day therm usage)				\$	0.59651
Standby Sales Service Charge (monthly per peak day therm usage)				\$	1.20161
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.24575		First 15,000	\$ 0.17466
Next 15,000	\$	0.17892		Next 15,000	\$ 0.12624
Next 75,000	\$	0.13245		Next 75,000	\$ 0.10055
Next 165,000	\$	0.08914		Next 165,000	\$ 0.06735
Next 330,000	\$	0.03413		Next 330,000	\$ 0.02888
Over 600,000	\$	0.00531		Over 600,000	\$ 0.00531

Interruptible Transportation Service - Rate 214

Monthly Charge				\$	250.00
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.24534		First 15,000	\$ 0.17426
Next 15,000	\$	0.17839		Next 15,000	\$ 0.12510
Next 75,000	\$	0.12992		Next 75,000	\$ 0.09469
Next 165,000	\$	0.08174		Next 165,000	\$ 0.06416
Next 330,000	\$	0.03478		Next 330,000	\$ 0.04921
Over 600,000	\$	0.00531		Over 600,000	\$ 0.00531

SOUTH CAROLINA RATES AND CHARGES

Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Governmental Taxes and Fees

Customers shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

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Docket No. 2006-401-G, GCRM - 135

Issued: January 16, 2013
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that copies of the attached documents are being served this date via email and UPS Overnight (1 copy) upon:

John W. Flitter
Florence P. Belser
Nanette Edwards
Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, South Carolina 29201
jflitter@regstaff.sc.gov
fbelser@regstaff.sc.gov
nsedwar@regstaff.sc.gov

And that copies of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter
Vice President – Planning and Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
david.carpenter@piedmontng.com

Pia Powers
Manager, Regulatory Affairs
Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233
pia.powers@piedmontng.com

This the 16th day of January, 2013.

s/ Scott M. Tyler
Scott M. Tyler